

23 July 1961

Personal
Mr. [redacted]

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Sincerely,

SIGMET

G. A. D.

Col. Grogan:abk (19 July 61) Ltr. to Gen. Sarnoff not to be sent.
AWD:JI:mfb (rewrite 7/23/61)

Orig w/2 enc. - addressee
✓ 1 - DCI w/cy enc. via reading
1 - ER w/cy enclosures
1 - DDCI
2 - Col. Grogan

WRC-NBC Radio
Washington

July 11, 1961

News in Depth

ON THE C. I. A.

MARTIN AGRONSKY: "A report on a piece of a brilliant stupidity. That story in a minute..."

"It's kind of reassuring for an American abroad to see how intelligently and secretly his government's intelligence service functions in these critical times. I see by a week old Washington dispatch that our extremely efficient super-secret intelligence agency is in the process of pulling off another great coup. This front page story reports that large numbers of C. I. A. agents are being withdrawn now from American embassies overseas. It says 'quietly' -- this, of course, in the tradition of impenetrable secrecy with which the C. I. A. conducts all its operations.

"Demonstrating further the inviolability of the secrecy tradition, the report goes on to explain that up to now, C.I. A. agents have enjoyed diplomatic cover. This being the cloak and dagger euphemism for agents operating under the guise of embassy personnel. No one need be concerned though, that our nation is to be deprived of the invaluable protection of our discreet undercover agents abroad just because they'll no longer pose as bonafide members of our diplomatic service.

"The far-seeing C. I. A. directors had another cover prepared for their boys quicker than you can say U-2 incident or Cuba. Informed Washington circles are quoted as saying presumably more will now be posing as American businessmen, and, it's explained, in the dirty tricks trade this is known as commercial cover.

"Really, it's difficult to overestimate the amount of sheer genius that must have gone into the C. I. A. decision to transfer from the members of our country's diplomatic service to our businessmen abroad the opprobrium that attaches to espionage.

"The incredible public admission that in every U. S. embassy there were those whose business was espionage has already provided all foreigners with legitimate license to regard any American diplomat with mistrust. Now, the same kind of damage can be done to the entire community of American businessmen abroad. In the future, no matter how legitimate the activities that American businessman may be engaged in abroad, he automatically will be

regarded as at least a potential if not a working spy. This should be immeasurably helpful in his competition for foreign business. Obviously foreign governments and businessmen will prefer to deal with an American who may be engaged in espionage than with a competitor of different nationality who can't lay claim to being anything more romantic than a businessman.

"This particular C. I. A. tour de force doesn't begin, of course, to compare in scope nor significance to two of the agency's past triumphs in skillful and discreet espionage. The brilliance of the C. I. A. role in the U-2 overflights of the Soviet Union over a year ago set a standard that was thought at that time to be impossible to surpass. But, just a couple of months ago, the C. I. A. in masterminding the abortive invasion of Cuba, demonstrated how impossible it is to overestimate its ineptitude. This latest venture in internal reorganization shows the C. I. A. has not lost its touch.

"This is Martin Agronsky, NBC News, in Jerusalem."

JUL 2 1961

Part of Kennedy Overhaul C. I. A. Agents Overseas Losing Diplomatic Cloaks

By David Wise
BOSTON, Mass. July 2—Part of President Kennedy's overhaul of the Central Intelligence Agency, large numbers of C. I. A. agents are being withdrawn from American embassies overseas, the New York Herald Tribune has learned.

Now, C. I. A. agents have enjoyed "diplomatic cover," the cloak-and-sword game for agents operating under the guise of embassy personnel. In fact, American ambassadors have no control over C. I. A. agents, even though they nominally are at-

tached to the State Department. This has led to conflicts and embarrassments in the embassies in the past.

The move does not mean that the overseas C. I. A. personnel will stop operating. But those being withdrawn from "diplomatic cover" will have to find other ways to cloak their activities, according to sources in Washington. Presumably more will now be posing as American business men. In the "dirty tricks" trade this is known as "commercial cover."

The Kennedy administration's action is part of a general effort to change the C. I. A. Continued on page 18, column 5

and establish clear lines of authority.

Meanwhile, it was understood that the President's decision on whether and how to streamline C. I. A. is coming to a head. In the wake of the Cuban invasion disaster, Mr. Kennedy named Gen. Maxwell D. Taylor to study what might be done to overhaul the intelligence system.

Gen. Taylor named last week as the President's "military representative" in the White House, reported orally to the Chief Executive—presumably a precaution to avoid "news leaks" about the intelligence survey.

While the Taylor report is super-secret, it can be stated that two broad changes in the intelligence establishment are currently under consideration by the White House.

First is a proposal to merge the Intelligence and Research Division of the State Department with the C. I. A. intelligence-gathering functions into a new agency.

The new agency would be related to the State Department much as in the case of the U. S. Information Agency.

The second proposal would be to take away from the C. I. A. all operational functions, such as its organization of the invasion of Cuba by anti-Castro exiles. One criticism of the C. I. A. has been that intelligence gathering and covert operations should not be conducted by the same agency.

The problem is where to put the operational arm of the C. I. A. if it removed from the agency. One solution would be to assign it to the Pentagon, but there is strong Congressional pressure against this.

In making his decision on these matters, the President is also expected to be guided by the findings of Dr. James R. Killian Jr., who was named by Mr. Kennedy to head a permanent board charged with checking up on the C. I. A. and other American intelligence activities.

Not all the Administration's intelligence activities these days are directed at the Soviet Union. The White House confirmed yesterday that the President, in an extraordinary move, had ordered the F. B. I. to investigate the "leak" of U. S. reconnaissance plans for Berlin to the press. The President's order was first reported yesterday by The Chicago Sun-Times.

Probe Not Confined

The story on Berlin planning appeared in "Newsweek" magazine. However, White House press secretary Pierre Salinger said the F. B. I. probe was not confined to "Newsweek."

Today in Hyannis Port, associate press secretary Andrew T. Hatcher said this did not mean there was a general investigation of news leaks.

"This Berlin is the only incident under investigation," he said. "My understanding is that it is confined to what has been termed wilful passing of secret information to persons not authorized to have that information."